

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA

THE STATE OF ARIZONA,

Plaintiff,

vs.

LYNWOOD JENNET,

Booking: T582885

Defendant.

CR2019-006302-002

PLEA AGREEMENT

The State of Arizona and the Defendant hereby agree to the following disposition of this case:

Plea: The Defendant agrees to plead **GUILTY** to:

Count 1 (As Amended): CONSPIRACY TO COMMIT FRAUDULENT SCHEMES AND ARTIFICES, a Class 2 Felony, in violation of A.R.S. §§ 13-1003, 13-2310, 13-811(B), 13-301, 13-302, 13-303, 13-701, 13-702, and 13-801, committed on or between November 30, 2015 and May 30, 2019.

Count 3 (As Amended): THEFT, a Class 3 Felony, in violation of A.R.S. §§ 13-1801, 13-1802, 13-811(B), 13-301, 13-302, 13-303, 13-701, 13-702, and 13-801, committed on or between November 30, 2015 and May 30, 2019.

These are **non-dangerous, non-repetitive** offenses under the criminal code.

THIS OFFER EXPIRES AND IS REVOKED IF NOT ENTERED IN COURT BY TBD

Terms: On the following understandings, terms and conditions:

1. **As to Count 1:** The crime carries a presumptive sentence of **5** years; a minimum sentence of **4** years; a mitigated sentence **3** years; a maximum sentence of **10** years; an aggravated sentence of **12.5** years. Probation is available.

As to Count 3: The crime carries a presumptive sentence of **3.5** year; a minimum sentence of **2.5** years; a mitigated sentence **2.0** years; a maximum sentence of **7.0** years; an aggravated sentence of **8.75** years. Probation is available.

As to All Counts: The maximum fine that can be imposed is **\$150,000.00** plus an **83% surcharge plus \$20.00 pursuant to A.R.S. § 12-269**. If the Defendant is sentenced to prison, the Defendant shall also be sentenced to serve a term of community supervision equal to one-seventh of the prison term to be served consecutively to the actual period of imprisonment. If the Defendant fails to

abide by the conditions of community supervision, the Defendant can be required to serve the remaining term of community supervision in prison. Within 30 days of being sentenced, pursuant to A.R.S. 13-610, the defendant shall provide a sufficient sample of blood or other bodily substance for law enforcement identification purposes and/or for use in a criminal prosecution and/or for use in a proceeding under title 36, chapter 37. Special conditions regarding the sentence imposed by statute (if any) are:

- None

2. The parties stipulate to the following additional terms, subject to court approval at the time of sentencing as set forth in paragraph 7:

As to Count 1:

- Defendant shall be sentenced to a term of supervised probation upon her physical release from the Arizona Department of Corrections in Count 3 and Maricopa County Superior Court Cause No. CR2019-006037-001.

As to Count 3:

- Defendant shall be sentenced to the Arizona Department of Corrections for a term of two (2) to four (4) years, concurrent with any sentence imposed in Maricopa County Superior Court Cause No. CR2019-006037-001.
- Defendant stipulates to pay restitution to the victim, the Arizona Healthcare Cost Containment System in the amount of \$814,383.01, joint and several with the co-defendant.
- This plea agreement is contingent upon the defendant entering a plea agreement with the Arizona Attorney General's Office in Maricopa County Cause No. CR2019-006037-001.
- Defendant shall comply with the terms contained in Addendum A.
- The defendant and the State agree that the defendant may be released from custody from the date of entry of this plea agreement until March 20, 2020, when she will report to Court and be taken back into custody pending her final sentencing. During that release, the defendant will reside at an address to be provided to the Court and the State separately. The parties stipulate that the Court will order her to be subject to electronic monitoring and house arrest during this release period, and that she may not leave the house or its immediate curtilage during the release period other than to attend Court matters, pre-arranged meetings with her attorneys, or if ordered otherwise by the Court. She may have no contact with Paul Petersen or any member of Paul Petersen's legal team during this release. She may not speak with the media or otherwise give statements or interviews during this release period in order to preserve the integrity of her

testimony and to avoid the appearance of impropriety. Violation of these release conditions will void this plea agreement and allow the State to withdraw from the plea agreement and the original charges will be reinstated.

3. The following charges are dismissed, or if not yet filed, shall not be brought against the Defendant by the Arizona Attorney General's Office:

- **Counts 2, and 4-32.**
- **Allegation of multiple offenses.**
- **The Arizona Attorney General's Office agrees not to file any additional charges arising out of Arizona Department of Public Safety Report #AZ1900130846 or any and all supplements related to this investigation.**

4. This agreement serves to amend the complaint, indictment, or information, to charge the offense to which the Defendant pleads, without the filing of any additional pleading. However, if the plea is rejected by the court or withdrawn by either party, or if the conviction is subsequently reversed, the original charges and any charges that are dismissed by reason of this plea agreement are automatically reinstated.

5. If the Defendant is charged with a felony, he hereby waives and gives up his rights to a preliminary hearing or other probable cause determination on the charges to which he pleads. The Defendant agrees that this agreement shall not be binding on the State should the Defendant be charged with or commit a crime between the time of this agreement and the time for sentencing in this cause; nor shall this agreement be binding on the State until the State confirms all representations made by the Defendant and his attorney, to-wit:

- **Defendant avows to having no prior felony convictions.**
- **Defendant avows that she was not on felony parole, probation, or community supervision at the time of the offense.**
- **Defendant avows that she has no other pending felony matters except Maricopa County Superior Court Cause No. CR2019-006037-001.**

If the Defendant fails to appear for sentencing, the court may disregard the stipulated sentence and impose any lawful sentence which is the same as or exceeds the stipulated sentence in the plea agreement. In the event the court rejects the plea, or either the State or the Defendant withdraws the plea, the Defendant hereby waives and gives up his right to a preliminary hearing or other probable cause determination on the original charges.

6. Unless this plea is rejected by the court or withdrawn by either party, the Defendant hereby waives and gives up any and all motions, defenses, objections, or requests which he has made or raised, or could assert hereafter, to the court's entry of judgment against him and imposition of a sentence upon him consistent with this agreement. By entering this agreement, the Defendant further waives and gives up the right to appeal.

LT 7. The parties hereto fully and completely understand and agree that by entering into a plea agreement, the defendant consents to judicial fact finding by preponderance of the evidence as to any aspect or enhancement of sentence and that any sentence either stipulated to or recommended herein in paragraph two is not binding on the court. In making the sentencing determination, the court is not bound by the rules of evidence. If after accepting this plea the court concludes that any of the plea agreement's provisions regarding the sentence or the term and conditions of probation are inappropriate, it can reject the plea. If the court decides to reject the plea agreement provisions regarding sentencing, it must give both the state and the Defendant an opportunity to withdraw from the plea agreement. In case this plea agreement is withdrawn, all original charges will automatically be reinstated. The Defendant in such case waives and gives up his right to a probable cause determination on the original charges.

LT 8. If the court decides to reject the plea agreement provisions regarding sentencing and neither the State nor the Defendant elects to withdraw the plea agreement, then any sentence either stipulated to or recommended herein in paragraph 2 is not binding upon the court, and the court is bound only by the sentencing limits set forth in paragraph 1 and the applicable statutes.

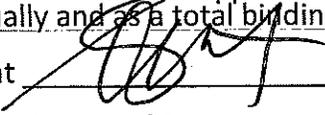
LT 9. This plea agreement does not in any way compromise, or provide any protection or defense with regard to, any civil action, whether by or on behalf of a victim or any government entity, and whether previously or later filed, including but not limited to an action pursuant to A.R.S. Title 13, Chapter 23 or § 13-4301-4315; nor does it abrogate or limit the provisions of A.R.S. § 13-2314(H) or A.R.S. § 13-4310(C), or in any other way adversely affect the State in any current or future forfeiture proceeding or other civil action pursuant to A.R.S. § 13-2314, § 13-4301-4315, or § 32-1993, if applicable.

LT 10. I understand that if I am not a citizen of the United States that my decision to go to trial or enter into a plea agreement may have immigration consequences. Specifically, I understand that pleading guilty or no contest to a crime may affect my immigration status. Admitting guilt may result in deportation even if the charge is later dismissed. My plea or admission of guilt could result in my deportation or removal, could prevent me from ever being able to get legal status in the United States, or could prevent me from becoming a United States citizen. I understand that I am not required to disclose my legal status in the United States to the court.

LT 11. I have read and understand all of the provisions, on all of the pages, of this agreement. I have discussed the case and my constitutional rights with my lawyer. My lawyer has explained the nature of the charge(s) and the elements of the crime(s) to which I am pleading. I understand that by pleading **GUILTY** I will be waiving and giving up my right to a determination of probable cause, to a trial by jury to determine guilt and to determine any fact used to impose a sentence within the range stated above in paragraph one, to confront, cross-examine, compel the attendance of witnesses, to present evidence in my behalf, my right to remain silent, my privilege against self-incrimination, presumption of innocence and right to appeal. I agree to enter my plea as indicated above on the terms and conditions set forth herein. I fully understand that if, as part of this plea agreement, I am granted probation by the court, the terms and conditions thereof are subject to modification at any time during the period of probation. I understand that if I violate any of the written conditions of my probation, my probation may be terminated and I can be sentenced to any term or terms stated above in paragraph one, without limitation.

I have personally and voluntarily placed my initials in each of the above boxes and signed the signature line below to indicate I read and approved all of the previous paragraphs in this agreement, both individually and as a total binding agreement.

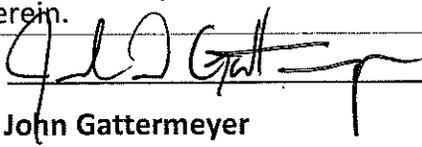
Date: 12/19/2019

Defendant 

Lynwood Jennet

I have discussed this case with my client in detail and advised him of his constitutional rights and all possible defenses. I have also explained the nature of the charge(s) and the elements of the crime(s). I believe that the plea and disposition set forth herein are appropriate under the facts of this case. I concur in the entry of the plea as indicated above and on the terms and conditions set forth herein.

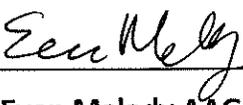
Date: 12/19/19

Defense Counsel 

John Gattermeyer

I have reviewed this matter and concur that the plea and disposition set forth herein are appropriate and are in the interests of justice.

Date: 12/19/2019

Prosecutor 

Evan Malady AAG #033987

STIPULATED FACTUAL BASIS

On and between November 30, 2015 and May 30, 2019, I, **LYNWOOD JENNET** conspired with codefendant **PAUL D. PETERSEN** to engage in conduct constituting Fraudulent Schemes and Artifices, Fraudulent Schemes and Practices, and Theft. The scheme included **PAUL D. PETERSEN** purchasing flights for pregnant women to fly from the Republic of the Marshall Islands to Arizona for the purpose of giving up their child for adoption. **PAUL D. PETERSEN** would send me the flight itineraries and I would transport the women to and from the airport. The pregnant women, usually multiple women at a time, lived with me in a house provided by **PAUL D. PETERSEN**. Shortly after the birthmother gave birth, **PAUL D. PETERSEN** purchased flights for the women to leave Arizona and often times to return to the Republic of the Marshall Islands.

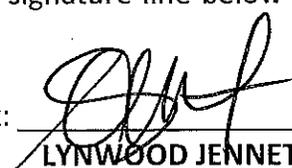
As part of my employment with the Law Office of Paul D. Petersen, **PAUL D. PETERSEN** directed me to coordinate certain aspects of the Marshallese adoptions, including assisting the birthmothers in applying for medical benefits through the Arizona Health Care Cost Containment System (AHCCCS). Specifically, I fraudulently misrepresented on the AHCCCS benefit applications that the applicants were Arizona residents in order to obtain medical services from AHCCCS. I intentionally misrepresented that the applicants were Arizona residents because the applicants would have been ineligible for medical benefits and services had AHCCCS known the applicants were not Arizona residents. **PAUL D. PETERSEN** and I knew these women recently flew into Arizona, never applied for any jobs in Arizona, and did not intend to remain in Arizona after the adoption of their child was finalized. None of the women listed on the indictment remained in Arizona after their adoption was finalized. In the applications I included written statements that contained false information to help establish residency. Often times the statements falsely exaggerated the length of time the applicant lived in Arizona in an attempt to make it look like the applicant lived in Arizona longer than she really did.

I assisted the birthmothers with their AHCCCS applications at the direction of **PAUL D. PETERSEN**. Because of these misrepresentations, the Arizona Health Care Cost Containment System diverted their services to benefit the applicants. Pursuant to this scheme AHCCCS spent \$814,383.01 on non-Arizona residents that would have been deemed ineligible absent the fraudulent misrepresentations. The events described in this stipulated factual basis took place in Maricopa County.

I have personally and voluntarily signed the signature line below to indicate I read and approved the stipulated factual basis.

Date: 12/19/2019

Defendant: _____


LYNWOOD JENNET

ADDENDUM A: TESTIMONIAL AGREEMENT

1. This agreement is being entered into based upon, and premised upon, the truthful statements made by the defendant during interviews conducted on August 13, 2019 and November 22, 2019. The defendant will provide complete and truthful testimony and information in any matter against Paul D. Petersen regarding the transportation, fraudulent AHCCCS applications, and status of any birthmother flown to and from Arizona for the purpose of giving up a child for adoption that occurred between November 30, 2015 and May 30, 2019, and other associated crimes and conduct. The defendant will not withhold any information. The defendant will not attempt to protect any person or entity through false information or omission. The defendant will not falsely implicate any person or entity through false information or omission. Because the State of Arizona insists on the defendant telling the truth in this matter, in the event that the defendant is called as a witness, the defendant's failure to provide truthful information will constitute a breach of this Testimonial Agreement. Accordingly, the defendant will at all times tell the truth, regardless of who asks the questions, during all stages of investigation, in discovery, and/or as a witness in any interview, deposition, or in any proceeding in any court (including but not limited to any grand jury proceeding, forfeiture proceeding, hearing on bail, bond, or conditions of release, pretrial hearing, civil or criminal trial, retrial, evidentiary hearing, post-conviction relief proceeding, habeas corpus proceeding, or other post-trial hearing). The defendant further understands that if the defendant refuses to answer any question by asserting a right against self-incrimination (whether that right is asserted under the Fifth Amendment to the United States Constitution, under the Arizona Constitution, or any other authority), this refusal will constitute an immediate breach of the Testimonial Agreement.
2. The Arizona Attorney General's Office (AGO) may confirm the accuracy of any information the defendant provides under the terms of this Testimonial Agreement by any investigative means AGO deems appropriate and necessary. If the defendant is found to have breached this Testimonial Agreement, any statements the defendant has made or any information the defendant has provided pursuant to this Testimonial Agreement may be used against the defendant in any criminal action brought by the State including the charges

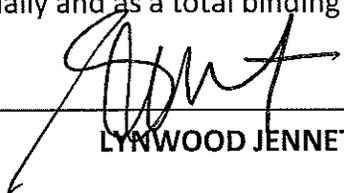
subject to this Testimonial Agreement and the related plea agreement in CR2019-006302-002. The defendant waives any statute of limitations, speedy trial, and constitutional restrictions that would otherwise limit AGO's ability to bring charges against the defendant if defendant breaches this agreement and the State resumes prosecution of the charges or otherwise files charges against defendant resulting from the breach of the Testimonial Agreement. In particular, nothing in this Testimonial Agreement protects the defendant from prosecution for perjury, false statement, or any other offense the defendant may commit after the date of this Testimonial Agreement. In all such prosecutions, AGO may use against the defendant any information, statements, documents, and/or evidence that the defendant has provided pursuant to this Testimonial Agreement.

3. If after a hearing there is a determination that the defendant has breached any part of this Testimonial Agreement, AGO may elect to either withdraw from the plea agreement or leave the plea agreement in place, thus allowing the court to impose any lawful sentence which is the same as or exceeds the stipulated sentence in the plea agreement.
4. The parties agree that the outcome of the case(s) against Paul D. Petersen does not determine whether the defendant has complied with this Testimonial Agreement. Only the defendant's compliance with the requirements listed in Paragraph #1 will determine whether the defendant has complied with this Testimonial Agreement.
5. The defendant understands that in the event she breaches any provision of this Testimonial Agreement, information provided by her during any "free talk" interview(s) or any derivative information obtained from that interview may be used against her in any future proceedings.
6. The defendant agrees to waive all Rule 8 and constitutional speedy trial objections and to not be sentenced until final resolution by plea or trials of all individuals covered by this agreement. The defendant understands that if she is sentenced prior to her failure or refusal to testify truthfully in any trial, retrial, interview, hearing, or other court ordered proceeding, upon reinstatement of the

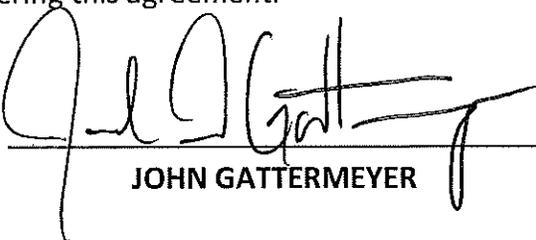
original charges in the matter for which she has been sentenced, she may only argue for credit for time served. She hereby waives any other claim of due process violation, double jeopardy, speedy trial, or other alleged constitutional violation based on the reinstatement of the original charges.

7. If LYNWOOD JENNET complies with the terms of this Agreement, the parties agree that the State will submit a written sentencing recommendation of a mitigated sentence of two (2) years in the Arizona Department of Corrections.

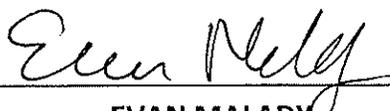
DEFENDANT: I have read and approved all of the previous paragraphs in the agreement, both individually and as a total binding agreement.

Defendant:  Date: 12/19/2019
LYNWOOD JENNET

DEFENSE COUNSEL: I have discussed this case with my client in detail and have advised her of her constitutional rights and all possible defenses. I believe that the terms set forth in this testimonial agreement are appropriate under the facts of this case. I concur in my client's entering this agreement.

Defense Counsel:  Date: 12/19/19
JOHN GATTERMEYER

PROSECUTOR: I have reviewed this matter and concur that the terms of this agreement are appropriate and in the interests of justice.

Counsel for State:  Date: 12/19/19
EVAN MALADY
Assistant Attorney General